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UNITED STATES OF AMERICA POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Competitive Product Prices Global Plus 3 Contracts (MC2016-152) Negotiated Service Agreement Docket No. CP2017-249

PUBLIC REPRESENTATIVE COMMENTS ON POSTAL SERVICE NOTICE OF MODIFICATION FIVE TO A GLOBAL PLUS 3 NEGOTIATED SERVICE AGREEMENT

(January 28, 2020)

I. Introduction

The Public Representative hereby provides comments pursuant to the Commission Notice initiating this docket.¹ In that Notice, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on the Postal Service's notice of Modification Five to a Global Plus 3 Negotiated Service Agreement.²

In Order No. 4044, the Commission found that the agreement that is the subject of this docket fell within the Global Plus 3 product.³ Modification Five revises Articles 1, 7, 8, 12, and 18 of the agreement, adds an Annex 18 to the agreement, and extends the agreement to June 30, 2020. PS Notice at 1.

¹ PRC Notice Initiating Docket(s) for Recent Postal Service Negotiated Service Agreement Filings, January 17, 2020. (Notice).

² Notice of the United States Postal Service of Filing Modification Five to a Global Plus 3 Negotiated Service Agreement CP2017-249, January 16, 2020 (PS Notice).

³ Order No. 4044, Order Approving Additional Global Plus 3 Negotiated Service Agreement and Conditionally Approving Modification, Docket No. CP2017-249, August 15, 2017.

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II. Comments

Pursuant to 39 U.S.C. § 3633(a), the Postal Service's competitive prices must not result in the subsidization of competitive products by market dominant products; must ensure that each competitive product covers its attributable costs; and, must ensure that all competitive products collectively contribute an appropriate share of the institutional costs of the Postal Service.

The Public Representative has reviewed Modification Five, and the supporting financial documentation for the contract filed under seal. Based upon that review, the Public Representative finds that Modification Five should allow the agreement to cover its attributable cost, will not cause cost coverage for the product to fall below 100 percent, and therefore complies with the requirements of 39 U.S.C. § 3633(a). The Public Representative supports approval of Modification Five.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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